

1 JOHN T. BENDER, WSBA #49658
2 K&L GATES LLP
3 925 FOURTH AVE, SUITE 2900
4 SEATTLE, WA 98104
5 Tel: (206) 623-7580
6 Email: john.bender@klgates.com

HONORABLE FREDERICK P. CORBIT
Chapter 11

7
8 UNITED STATES BANKRUPTCY COURT
9 EASTERN DISTRICT OF WASHINGTON

10 In re:

11 IDEAL PROPERTY INVESTMENTS
12 LLC,

13 Debtor.

Case No. 24-01421-FPC11

**THE UNSECURED CREDITORS
COMMITTEE'S JOINDER IN
OBJECTIONS TO DEBTOR'S
MOTION TO APPROVE SALE
OF REAL PROPERTY
(ESCONDIDO)**

14
15
16 The Unsecured Creditors Committee ("Committee") in the above captioned
17 bankruptcy case respectfully submits the following response to the Debtor's Motion to
18 Approve Sale of Real Property (Escondido). The Committee hereby joins in the
19 Pacific Parties' Limited Objection to the Debtor's Motion (the "Pacific Parties'
20 Objection"), and 352 Capital Fund ABS Master Fund LP's Joinder in the Pacific
21 Parties' Objection.

22 To avoid repetition and to maximize the efficient use of the Court's time, the
23 Committee's position is captured in the enumerated points that follow:

- 24 1. The Committee has no objection to moving forward with and closing the
25 sale of the Escondido property as proposed by the estate.
26 2. The Committee has no objection to the estate having access to the sales

1 proceeds from the Escondido property to fund insurance and other
2 expenses essential to preserving the value of the estate for all creditors or
3 otherwise administering this case.

- 4 3. The Committee does, however, object to the distribution of sales
5 proceeds to any secured party at this time. The evidence submitted into
6 the record along with the Debtor's own schedules reflect that the Debtor
7 is, in fact, the beneficiary of tens of millions of dollars in funds that were
8 diverted from the affiliated enterprise known as "WaterStation
9 Technology," which at the time was under the exclusive management and
10 control of its founder Ryan Wear—who has since been restrained and
11 removed through various state and federal judicial processes.
- 12 4. While the Committee is reserving final judgment as to the validity and
13 enforceability of the Socotra and First Fed liens until after it has
14 completed a thorough investigation of the matter, the Committee
15 respectfully submits that the evidence presented thus far more than
16 indicates that a thorough investigation should be completed before the
17 proceeds are distributed to any party.
- 18 5. In the meantime, while the Committee conducts this investigation in
19 tandem with the estate under the Court's supervision, the funds should be
20 held subject to the estate's rights under applicable law to object to or
21 avoid the subject liens.

22 //

23 //

24 //

25 //

26 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

RESPECTFULLY SUBMITTED October 9, 2024.

K&L GATES LLP

By: /s/ John T. Bender
John T. Bender, WSBA #49658
925 Fourth Avenue, Suite 2900
Seattle, WA 98104-1158
Telephone: (206) 623-7580
Email: john.bender@klgates.com

*Attorneys for the Official Committee of
Unsecured Creditors*